

NEW JERSEY DEPARTMENT OF
COMMUNITY AFFAIRS



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NEW JERSEY DEPARTMENT OF
COMMUNITY AFFAIRS



*Building Partnerships to
Revitalize Communities*



*A Guide to the Neighborhood
Revitalization Tax Credit Program*



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*Greetings from
Governor McGreevey
& Commissioner Levin*

*Partnerships are the key to the
revitalization of New Jersey's
neighborhoods.*

New Jersey's nonprofit organizations play a key role in the economic and social development of our neighborhoods. From funding services such as employment training to supporting improvement projects like housing preservation in distressed areas, the Department of Community Affairs offers a wide range of programs to support the state's nonprofit sector – programs that provide these organizations with the resources to make lasting impressions on their communities.

One of the programs DCA offers New Jersey nonprofits is the Neighborhood Revitalization Tax Credit, which fosters ongoing partnerships between the private and nonprofit sector in an effort to make New Jersey a better place to call home. If we want to improve our communities, we need to work together to make them viable and attractive places to live, work and play.

The Neighborhood Revitalization Tax Credit makes it easier to revitalize your community, and this brochure will show you how. We look forward to working with you in improving New Jersey's neighborhoods for years to come.

With all good wishes,

James E. McGreevey
Governor

Susan Bass Levin
Commissioner



What is the Neighborhood Revitalization Tax Credit?

Created in 2002, the Neighborhood Revitalization Tax Credit Program generates up to \$20 million in new investments in low

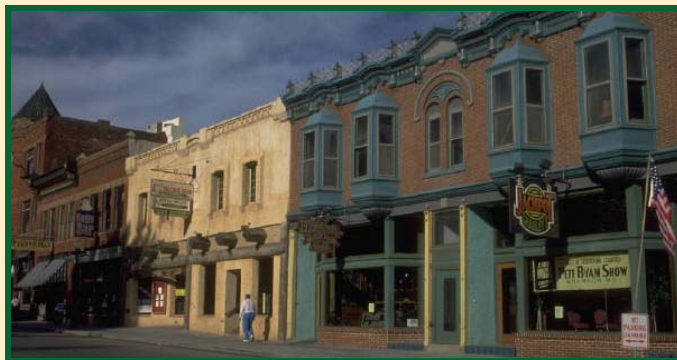
and moderate-income neighborhoods throughout New Jersey. The program works by providing a 50 percent state tax credit to businesses that contribute to the community development efforts of participating 501(c)(3) organizations. These nonprofits can use the funding for a variety of services including affordable housing, economic development, workforce development, open space, social services, business assistance, and other activities that promote neighborhood revitalization.

The NRTC Program provides nonprofits with the funding and resources necessary to:

- Engage in community-based neighborhood planning.
- Carry out neighborhood plans.
- Implement neighborhood revitalization activities.
- Attract private investments in New Jersey's distressed neighborhoods.
- Foster ongoing partnerships between private corporations and community based development organizations.

How much funding is available annually?

Each approved project may qualify for up to \$1 million in tax credit investments per year. A total of \$10 million per year is available in state tax credits to businesses for the program, generating up to \$20 million for nonprofit organizations.



What communities are eligible?

The NRTC Program provides direct social benefits to more than 100,000 New Jersey residents in approximately 60 eligible municipalities. Municipalities qualified to receive funding from the Special Municipal Aid Act or those that have received Abbott funding are eligible to participate in the program. For the most recent list of eligible municipalities, please contact DCA at (609) 633-7245.

Who may apply?

Any 501(c)(3) organization with a strategic neighborhood plan in an eligible municipality may apply. In addition, the organization must demonstrate a strong commitment to a specific neighborhood where it submits a plan or project.



What is a neighborhood plan?

The development of a neighborhood plan is an essential component of the NRTC Program. In order for a nonprofit to receive funding, it must first have a neighborhood plan approved by DCA. The community plan must cover a 2 to 10-year period, target an eligible neighborhood, and be community driven.

How to Apply for the Neighborhood Revitalization Tax Credit Program

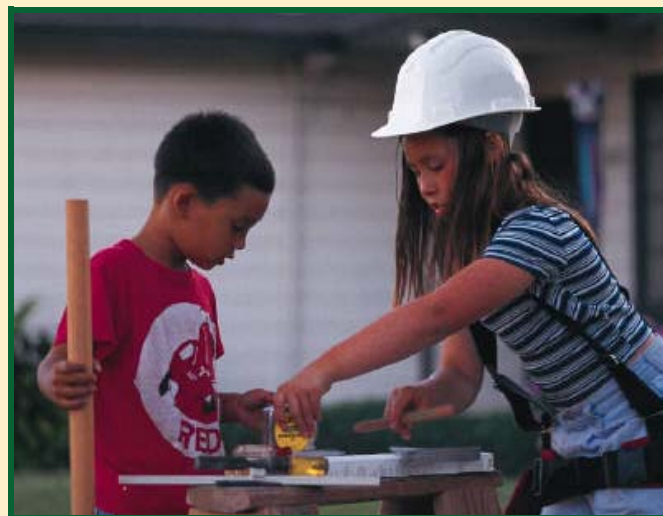
- Nonprofit submits a community neighborhood plan to DCA for approval.
- DCA reviews the plan.
- If a plan is approved, the nonprofit may submit a project proposal to DCA for consideration.
- DCA approves the proposal.

What are the eligible uses of funds?

Participating nonprofit organizations must use at least 60 percent of their funds for activities related to housing and economic development. The remaining balance may then be used for complementary activities including small businesses assistance, physical improvements, and social services such as job training, childcare and transportation.

Will technical assistance be available?

DCA is committed to working with all eligible neighborhoods and nonprofits interested in revitalizing their communities. Technical assistance is available to assist nonprofits with their application for the tax credit program, as well as provide any assistance necessary to ensure the successful implementation of all approved projects.



“The Neighborhood Revitalization Tax Credit program provides nonprofits a great opportunity to build strong relationships with local community members and participating businesses, establishing key public-private partnerships that are critical to the success of New Jersey.”

- Susan Bass Levin, Commissioner of the Department of Community Affairs